

## N E W S R E L E A S E

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### **California's Unemployment Rate Increases to 5.0 Percent** **Payroll Employment Up 14,800 Jobs**

**SACRAMENTO** – California's unemployment rate was 5.0 percent in May, up from 4.9 percent in April, the state Employment Development Department (EDD) reported today. A year ago, in May 2005, California's unemployment rate was 5.4 percent.

According to EDD's survey of employers, nonfarm payroll employment in California increased by 14,800 jobs over the month, for a total of 14,963,700.

According to the separate survey of households, the number of Californians holding jobs in May was 16,908,000. This was an increase of 43,000 from April, and up 201,000 from the employment total in May of last year.

The number of people unemployed in California was 886,000 – an increase of 16,000 over the month, but down by 71,000 compared with May of last year.

Of the unemployed, 313,400 were laid off, 72,100 left their jobs voluntarily, and the remaining were either new entrants or reentrants into the labor market, or persons who completed temporary jobs.

#### **UNEMPLOYMENT INSURANCE CLAIMS (NOT SEASONALLY ADJUSTED)**

In related data, the EDD reported that there were 334,154 people receiving regular unemployment insurance benefits during the May survey week. This compares with 375,355 last month and 364,700 last year. At the same time, new claims for unemployment insurance were 37,041 in May 2006, compared with 41,552 in April and 39,164 in May of last year.

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## WAGE AND SALARY EMPLOYMENT DETAIL (SEASONALLY ADJUSTED)

EDD's report on payroll employment (wage and salary jobs) in the nonfarm industries of California totaled 14,963,700 in May, a net gain of 14,800 jobs since the April survey. This followed a loss of 4,800 jobs (as revised) in April.

Eight of the categories (**construction; manufacturing; trade, transportation and utilities; information; financial activities; educational and health services; other services; and government**) added jobs over the month, gaining 19,300 jobs. The educational and health services industry showed the largest gain, up by 5,300 jobs. Three categories (**natural resources and mining; professional and business services; and leisure and hospitality**) reported job declines this month, down 4,500 jobs. Leisure and hospitality posted the largest decline over the month, down by 3,200 jobs.

In a year-over-year comparison (May 2005 to May 2006), nonfarm payroll employment in California increased by 233,700 jobs (up 1.6 percent).

Nine industry divisions (**natural resources and mining; construction; trade, transportation and utilities; financial activities; professional and business services; educational and health services; leisure and hospitality; other services; and government**) posted job gains over the year, adding 237,500 jobs. On a numerical basis, professional and business services showed the strongest employment growth, adding 63,200 jobs (a 3.0 percent increase). Natural resources and mining also showed strong gains on a percentage of growth basis, up by 3.0 percent (adding 700 jobs).

Two categories (**manufacturing and information**) posted job declines over the year, down 3,800 jobs. Manufacturing and information were each down by 1,900 jobs (declines of 0.1 percent and 0.4 percent, respectively).

## WAGE AND SALARY EMPLOYMENT DETAIL (**NOT** SEASONALLY ADJUSTED)

Over the month, employment in **construction** showed the largest non-seasonally adjusted gain, up by 15,600 jobs. Most of the gains were in the specialty trade contractors sector, which added 9,900 jobs. No industries posted job declines over the month.

The **professional and business services** industries reported the largest gain over the year, up 63,700 jobs. The gains were concentrated in the professional, scientific and technical services sector, which was up by 26,900 jobs, and the administrative and support and waste services sector, which was up by 34,100 jobs. The largest decrease over the year was in **manufacturing**, which was down by 2,100 jobs. The losses were centered in the durable goods sector, and primarily in computer and electronic product manufacturing, which was down 3,300 jobs.

Seasonally adjusted payroll detail follows:

**WAGE AND SALARY EMPLOYMENT, SEASONALLY ADJUSTED DATA**  
(Amounts in thousands)

Industrial Classification	May 2006 (prelim.)	April 2006	May 2005	Change Over 12 months (Percent)
Nonagricultural Wage and Salary Workers . . . . .	14,963.7	14,948.9	14,730.0	1.6
Natural resources and mining . . . . .	23.7	24.1	23.0	3.0
Construction . . . . .	921.9	918.2	896.1	2.9
Manufacturing . . . . .	1,508.7	1,506.7	1,510.6	-0.1
Trade, transportation and utilities . . . . .	2,833.5	2,832.9	2,805.1	1.0
Information . . . . .	468.2	465.3	470.1	-0.4
Financial activities . . . . .	941.8	941.3	922.7	2.1
Professional and business services . . . . .	2,196.3	2,197.2	2,133.1	3.0
Educational and health services . . . . .	1,611.7	1,606.4	1,582.3	1.9
Leisure and hospitality . . . . .	1,508.3	1,511.5	1,469.2	2.7
Other services . . . . .	518.6	517.0	508.7	1.9
Government* . . . . .	2,431.0	2,428.3	2,409.1	0.9
Agriculture . . . . .	358.2	367.1	369.3	-3.0

\*Includes all civilian employees of federal, state, and local governments.

**TABLE A**  
**EMPLOYMENT AND UNEMPLOYMENT IN CALIFORNIA, SEASONALLY ADJUSTED DATA**

	May 2006	April 2006	March 2006	May 2005
Civilian labor force <sup>a</sup> . . . . .	17,794,000	17,735,000	17,722,000	17,664,000
Total civilian employment . . . . .	16,908,000	16,865,000	16,874,000	16,707,000
Unemployment . . . . .	886,000	870,000	848,000	957,000
Seasonally adjusted rate % . . . . .	5.0	4.9	4.8	5.4
US seasonally adjusted rate % . . . . .	4.6	4.7	4.7	5.1

**TABLE B**  
**EMPLOYMENT AND UNEMPLOYMENT IN CALIFORNIA, UNADJUSTED DATA**

	May 2006	April 2006	March 2006	May 2005
Civilian labor force <sup>a</sup> . . . . .	17,717,000	17,647,000	17,689,000	17,599,000
Total civilian employment . . . . .	16,897,000	16,805,000	16,801,000	16,704,000
Unemployment . . . . .	820,000	842,000	888,000	895,000
Unadjusted rate % . . . . .	4.6	4.8	5.0	5.1

<sup>a</sup>Labor force by place of residence including workers involved in trade disputes.

**MONTHLY LABOR FORCE DATA FOR COUNTIES**  
**MAY 2006; 2005 BENCHMARK**  
**NOT SEASONALLY ADJUSTED**

COUNTY	LABOR FORCE	EMPLOYMENT	UNEMPLOYMENT	RATE
<b>STATE TOTAL</b>	<b>17,716,500</b>	<b>16,896,800</b>	<b>819,700</b>	<b>4.6%</b>
ALAMEDA	745,000	713,600	31,400	4.2%
ALPINE	430	390	40	8.4%
AMADOR	16,590	15,800	790	4.8%
BUTTE	100,000	94,300	5,700	5.7%
CALAVERAS	20,890	19,830	1,060	5.1%
COLUSA	9,840	8,850	990	10.1%
CONTRA COSTA	510,700	490,500	20,100	3.9%
DEL NORTE	10,610	9,930	680	6.4%
EL DORADO	91,400	87,500	3,900	4.2%
FRESNO	405,500	373,700	31,800	7.9%
GLENN	11,410	10,520	890	7.8%
HUMBOLDT	60,400	57,500	3,000	4.9%
IMPERIAL	62,900	54,500	8,400	13.4%
INYO	9,480	9,100	380	4.0%
KERN	322,800	299,400	23,400	7.3%
KINGS	55,200	50,800	4,400	8.0%
LAKE	25,860	24,220	1,640	6.3%
LASSEN	12,200	11,320	880	7.2%
LOS ANGELES	4,894,400	4,656,600	237,800	4.9%
MADERA	61,400	57,200	4,200	6.8%
MARIN	128,900	124,600	4,300	3.3%
MARIPOSA	8,600	8,170	430	5.0%
MENDOCINO	43,830	41,780	2,050	4.7%
MERCED	98,200	89,400	8,700	8.9%
MODOC	3,880	3,610	270	7.0%
MONO	8,430	8,070	370	4.3%
MONTEREY	211,200	199,300	11,800	5.6%
NAPA	73,700	71,300	2,400	3.3%
NEVADA	49,580	47,620	1,970	4.0%
ORANGE	1,592,800	1,541,700	51,100	3.2%
PLACER	163,000	157,100	5,900	3.6%
PLUMAS	10,470	9,770	700	6.7%
RIVERSIDE	848,300	812,700	35,600	4.2%
SACRAMENTO	675,600	646,600	29,000	4.3%
SAN BENITO	24,500	22,900	1,700	6.9%
SAN BERNARDINO	864,700	827,100	37,600	4.3%
SAN DIEGO	1,498,000	1,443,300	54,700	3.7%
SAN FRANCISCO	415,600	398,500	17,200	4.1%
SAN JOAQUIN	291,000	271,800	19,200	6.6%
SAN LUIS OBISPO	131,900	127,400	4,500	3.4%
SAN MATEO	360,300	347,600	12,700	3.5%
SANTA BARBARA	215,500	207,900	7,600	3.5%
SANTA CLARA	808,200	773,000	35,200	4.4%
SANTA CRUZ	145,800	138,300	7,500	5.1%
SHASTA	81,000	76,200	4,800	5.9%
SIERRA	1,540	1,420	120	7.7%
SISKIYOU	18,250	16,950	1,300	7.1%
SOLANO	210,000	200,300	9,700	4.6%
SONOMA	252,000	242,500	9,500	3.8%
STANISLAUS	228,100	210,800	17,300	7.6%
SUTTER	41,700	38,000	3,700	8.8%
TEHAMA	24,590	23,080	1,510	6.1%
TRINITY	5,100	4,660	440	8.6%
TULARE	187,300	173,400	13,800	7.4%
TUOLUMNE	25,710	24,330	1,380	5.4%
VENTURA	422,100	405,900	16,200	3.8%
YOLO	93,800	89,800	4,100	4.3%
YUBA	26,300	24,200	2,100	7.9%